



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/734,095	12/11/2003	Timothy J. Flynn	CD-136	7989
42419	7590	06/08/2006	EXAMINER	
PAULEY PETERSEN & ERICKSON 2800 WEST HIGGINS ROAD SUITE 365 HOFFMAN ESTATES, IL 60195			SHAH, AMEE A	
			ART UNIT	PAPER NUMBER
			3625	

DATE MAILED: 06/08/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	10/734,095	FLYNN ET AL.
	Examiner Amee A. Shah	Art Unit 3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 21 April 2006.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-34 is/are pending in the application.
 4a) Of the above claim(s) 10-34 is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1-9 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on 21 June 2004 is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.	6) <input type="checkbox"/> Other: _____.

DETAILED ACTION

Claims 1-34 are pending in this application. Claims 1-9 are pending in this action.

Election/Restrictions

Response to Arguments.

Applicant's election with traverse of Invention I in the reply filed on April 21, 2006, is acknowledged. The traversal is on the ground(s) that the separate utilities listed by the Office on page 4 are utilities of the distributor of claim 4 (Remarks, page 7). This is not found persuasive because the separate utilities of Invention II are the intake of distributor identification details, listing customer orders fulfilled, and figuring a commission. None of these utilities are specified in claim 4 or its dependencies. While Applicant states that "distributor transactions" generally include the intake of distributor identification details (Remarks, page 7), this limitation is not recited in claim 4. Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. *See In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). As stated in the previous office action, the separate utilities of Invention II would require a different field of search (see MPEP § 808.02), and therefore, restriction for examination purposes as indicated is proper. The requirement is still deemed proper and is therefore made FINAL.

Newly submitted claims – election by original presentation.

Newly submitted claims 24-34 are directed to an invention that is independent or distinct from the invention originally claimed for the following reasons: applicant has attempted to incorporate the previously restricted invention as dependencies of claim 4. However, these

claims are still independently distinct as separate species as subcombinations usable together in a single combination that do not overlap in scope, are not obviously variants, and at least one of the subcombinations is separately usable. Accordingly, claims 24-34 withdrawn from consideration as being directed to a non-elected invention, and claims 1-9 are elected by original presentation. *See* 37 CFR 1.142(b) and MPEP § 821.03.

Claims 10-34 are withdrawn as being drawn to a non-elected invention, leaving claims 1-9 pending in this action.

Drawings

The drawings are objected to as failing to comply with 37 CFR 1.84(m) and (p) because: (1) they contain improper shading that does not aid in the understanding of the invention and will not reproduce properly; (2) they do not include the following reference sign(s) mentioned in the description: C1, C2, C3; (3) they include the following reference character(s) not mentioned in the description: C1D2, C2D2, C3D2, C1D5, C2D5, C3D5; and (4) they contain handwritten text that will not reproduce properly.

Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either “Replacement Sheet” or “New Sheet” pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will

be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

Specification

The use of the trademarks OFFICE MAX, OFFICE DEPOT and STAPLES has been noted in this application. It should be capitalized wherever it appears and be accompanied by the generic terminology. Although the use of trademarks is permissible in patent applications, the proprietary nature of the marks should be respected and every effort made to prevent their use in any manner which might adversely affect their validity as trademarks.

Claim Rejections - 35 U.S.C. § 101

35 U.S.C. §101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-3 are rejected under 35 U.S.C. §101 because the claimed inventions are directed to non-statutory subject matter.

Claims 1-3 are directed to disembodied data structure claim which are per se not statutory. *C.f. In re Wamerdam.* The preamble of the independent claim 1 and all its dependencies are directed to “software for operating a distributor organization.” The software instructions could be in mere text form which are not executable by a processor. The examiner suggests redrafting the claims to include embodying the software program on a computer readable medium so that the claimed instructions are executable by a computer or processor.

A claim to a computer readable medium encoded with functional descriptive material that can function with a computer to effect a practical application that results in a useful, concrete and tangible result (i.e. running an assembly line or executing a stock transaction) satisfies Section 101. *See* U.S. Patent 5,710,578 to Beauregard etc., i.e., a set of instructions in combination with a computer system. *C.f. In re Wamerdam* (data structure stored in a computer memory), *and In re Lowery*, 32 USPQ2d 1031 (Fed. Cir. 1994) (data structure in a computer readable medium).

Examples of Statutory Functional Descriptive Material are: (a) a claimed computer-readable medium encoded with a functional data structure – this defines structural and functional relationships between the data structure and the hardware/software components, *see Wamerdam*; (b) a claimed computer-readable medium encoded with a computer program - this defines structural and functional relationships between the computer program and the computer itself which allows the program's functionality to be realized provided that a useful, concrete and tangible result is realized; *see* U.S. Patent 5,710,578 to Beauregard et al.

Data merely stored in a computer readable medium to be read or outputted by a computer without any functional interrelationship, and thus do not impart functionality to the computer, i.e., they are not computer components. Examples of Non-Functional Descriptive Material include music, literature, art, photographs, data base per se, and are directed to neither a “process” nor a “machine,” but rather embrace or overlap two different statutory classes of invention set forth in 35 U.S.C. 101, which is drafted so as to set forth the statutory classes of invention in the alternative only. *Id.* at 1551.

Examiner Note

Examiner cites particular pages, columns, paragraphs and/or line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Claim Rejections - 35 U.S.C. § 103

The following is a quotation of 35 U.S.C. §103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. §103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. §103(c) and potential 35 U.S.C. §102(e), (f) or (g) prior art under 35 U.S.C. §103(a).

Claims 1-9 are rejected under 35 U.S.C. §103(a) as being unpatentable over Morgan et al., U.S. Pat. App. Pub. No. 2002/0087583 A1 (hereafter referred to as “Morgan et al.”) in view of Ross, Jr. et al., U.S. Pat. No. 6,993,572 B1 (hereafter referred to as “Ross et al.”).

Referring to claims 1 and 4. Morgan et al. discloses software and a system for operating a distributor organization of a product supplier to provide for sales of a product supplier product by distributors of the product supplier product (*see Abstract and page 1, ¶0009*) comprising:

- a) website software applications for operating a domain server and a domain server under control of the product supplier to provide a plurality of subdomain websites for distributors to offer sales of product supplier product to consumers (Fig. 7 and pages 3-4, ¶¶0033-0037 – note the product supplier is the “distributor” and the distributor is the “store”);
- b) business software applications for providing business functionalities, and a computer under control of the product supplier with these applications, including:
 - i) managing distributor transactions between the product supplier and the distributor (page 4, ¶¶0037-0038 – note the distributor transactions include purchasing products from the distributor),
 - ii) managing consumer transactions between the distributor and the consumer (pages 3 and 4, ¶¶0034 and 0038 – note the consumer transactions include shopping), and
 - iii) managing order fulfillment transactions between the consumer and the product supplier (page 4, ¶0038 – note the order fulfillment transactions include replenishing inventory).

Morgan et al. does not explicitly disclose the website software applications (server) and the business software applications (computer) being interconnected whereby the product supplier

may accept and fulfill sales orders from consumers placed through the sub websites. Ross et al., in the same field of endeavor of electronic shopping, discloses a method and system for facilitating internet commerce with affiliated websites including a product supplier providing links to its ordering facility through distributor websites that look exactly like the product supplier for a seamless ordering process whereby the website software applications and the business software applications are interconnected so the product supplier may accept and fulfill sales orders from consumers placed through the sub websites (see Abstract and col. 24, lines 30-65 – note the product supplier is the “Merchant” and the distributor is the “Host”).

At the time of the invention, it would have been obvious to a person of ordinary skill in the art to have modified the system of Morgan et al. to include the teachings of Ross et al. to allow for the website software applications and the business software applications to be interconnected so the product supplier may accept and fulfill sales orders from consumers placed through the sub websites. Doing so would allow for a more seamless shopping experience between affiliates for increased marketing potential and incremental sales without the loss of visitor traffic, as suggested by Ross et al. (col. 2, lines 54-65).

Referring to claims 2 and 8. Morgan et al. in view of Ross et al. discloses the software and system of claims 1 and 4 wherein the distributor transactions include enabling a distributor to request commission payments through a sub website (Ross et al., col. 26 line 61 through col. 27, line 2) in order to entice distributors to sell more products of the product suppliers by compensating them with commissions.

Referring to claims 3 and 6. Morgan et al. in view of Ross et al. discloses the software and system of claims 1 and 4 wherein the website software and server enable a distributor to modify a subdomain website assigned to the distributor (Morgan et al., page 3, ¶¶0026-0033).

Referring to claim 5. Morgan et al. in view of Ross et al. discloses the system of claim 4 wherein the distributor transactions include maintaining a database of distributor identifier information (page 4, ¶0035).

Referring to claim 7. Morgan et al. in view of Ross et al. discloses the system of claim 4 wherein the distributor transactions include maintaining a listing of distributor sales made and commissions earned through the subdomain websites (Ross et al., col. 26, lines 41-67) in order to efficiently pay distributor commissions as an effort to entice distributors to sell more products of the product supplier.

Referring to claim 9. Morgan et al. in view of Ross et al. discloses the system of claim 4 wherein the order fulfillment transactions include accepting consumer orders placed through the subdomain website, verifying customer payment and notifying a product supplier shipping department that the consumer order is to be shipped (Ross et al., col. 26, lines 24-39) in order to more efficiently and seamlessly conduct the business of electronic shopping by processing customer orders, ensuring the products will be paid for, and efficiently communicating within the business, so that customer satisfaction is increased.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

(1) Ross, Jr. et al., U.S. Pat. No. 6,629,135 B1, discloses an e-commerce outsourcing system for affiliated stores to sell merchant products through websites and links (*see* entire document).

(2) Klingman, U.S. Pat. No. 5,799,285, discloses a system for e-commerce wherein a seller registers his product with a distributor and seamlessly conducts sales (*see, e.g.*, cols. 8-11).

(3) Lee, U.S. Pat. App. Pub. No. 2002/0091565 A1, discloses a system for agent websites (*see* entire document).

(4) Berlin et al., U.S. App. Pub. No. 2004/0133435 A1, discloses a system for e-commerce between customers, agents and distributors including compensation with commissions (*see* entire document).

(5) Ebihara, JP2002073766A, discloses a system for e-commerce between consumers, management centers and wholesale manufacturers (*see Abstract*).

(6) Wilson, Tim, "Wholesale Shift to the Web," InternetWeek, Manhasset, NY, Jul. 20, 1998, Iss. 724, pg. 1, discloses a system for e-commerce between consumers, product suppliers and distributors whereby the consumers can browse and order products at the distributors' sites without appearing to leave the product supplier's site, and the product supplier can manage and fulfill orders (*see article*).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Amee A. Shah whose telephone number is 571-272-8116. The examiner can normally be reached on Mon.-Fri. 7:00 am - 3:30 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert Pond, can be reached on 571-272-6760. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

AAS
June 6, 2006

Amee Shah

J. C. Gao *Ex.*
Primary